

**TOWN OF DAVIE
WORKSHOP MEETING
JANUARY 12, 2006**

The meeting was called to order at 6:13 p.m.

Present at the meeting were Mayor Truex and Councilmembers Crowley and Starkey. Also present were Interim Town Administrator Cohen, Town Attorney Kiar, and Assistant Town Clerk McDaniel recording the meeting. Vice-Mayor Hubert and Councilmember Paul were absent.

Sunrise Water Acquisition

Acting Utilities Director Bruce Taylor introduced Carl Kennedy of Calvin Giordano, consulting engineers on the project. Mr. Taylor referred Council to the documentation provided and summarized the report. He advised that the study began in 2000 and was completed in 2003. Mr. Taylor indicated that the numbers had been updated from 2003 to present. He stated that in 2003, there were 16,500 residential connections. Mr. Taylor advised that the 2003 cost was \$97,860,000 while today's cost was \$138,440,000. He stated that the rate would have to be increased to \$91 per 10,000 gallons to purchase the infrastructure to serve the residents' current needs. Mr. Cohen advised that this figure included building facilities and was considered a fair market value.

Mr. Kennedy indicated that there were three portions of the \$138 million figure: 1) the cost to purchase infrastructure, 2) the construction of a new water and wastewater plant, and 3) the financing portion.

Mayor Truex asked whether costs of litigation or condemnation were factored in. Mr. Kennedy responded in the negative. Mayor Truex asked for clarification on the \$91 figure. Mr. Kennedy advised that the \$138 million figure was divided by 30 years, to come up with the \$91 monthly cost for residents. Mayor Truex asked what variables would affect the \$91. Mr. Taylor responded that usage would be a factor. Mr. Cohen felt Sunrise's facility had a great deal of value and would want to sell to the Town at a premium price.

Councilmember Starkey pointed out that while water quality did not satisfy residents previously, they were mostly pleased with Sunrise's new system since 2000. She added that there had not been many complaints about the water quality and recommended leaving well enough alone. Councilmember Starkey felt the cost to the Town was more than Council or the residents would be willing to pay. She added that owning a water company just for the sake of owning one would not be beneficial to the Town at this time.

Councilmember Crowley thought the \$91 was actually a low estimate. He felt the Town should put its energy and resources to resolve issues in Park City. Councilmember Crowley wanted the Town to work closely with Sunrise on any remaining water issues to be improved.

Mayor Truex agreed with Councilmembers Starkey and Crowley and felt the \$91 figure was actually optimistic. He was in favor of not moving forward on this issue. Mayor Truex wanted to give this issue some closure and requested that staff prepare a resolution along with a short narrative emphasizing that the \$91 figure was much too low. He wanted a resolution to be voted on by Council in order to put this issue to bed. Councilmember Starkey pointed out that Mr. Rosenbaum was still doing legal research on this issue. Councilmember Crowley had no objections to this resolution.

Mr. Cohen advised staff would prepare a resolution for the meeting in February.

There being no further business to discuss and no objections, the meeting was adjourned at 6:32 p.m.

Approved _____

Mayor/Councilmember

Town Clerk